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STATE OF CONNECTICUT

ATTORNEY GENERAL GEORGE JEPSEN

July 21, 2016

Statement from Attorney General Jepsen on Connecticut's Antitrust Lawsuit Seeking to Block Proposed Anthem, Cigna Merger

Attorney General George Jepsen today issued the following statement announcing that Connecticut, in conjunction with the Department of Justice and other states, has filed a federal antitrust lawsuit seeking to permanently enjoin the proposed merger of Anthem, Inc. and Cigna Corp.:

"My office today joined with 11 other attorneys general and the United States Department of Justice in filing a lawsuit seeking to block the Anthem-Cigna merger. Over the course of the past year, my staff has worked in coordination with our law enforcement partners on an investigation into the merger's potential impact on competition, conducting numerous stakeholder interviews, joining in multiple depositions of party representatives, reviewing thousands of documents and participating in meetings with both parties. Following this due diligence, it is our firm belief that, if allowed to proceed, this merger would substantially lessen competition for the provision of healthcare insurance services, in that it would have a negative impact on both the availability of competitively priced healthcare and the quality of care in the state of Connecticut.

"We are asking the court today to find this merger in violation of antitrust law and to permanently enjoin it from taking place. Both Anthem and Cigna have a significant presence in Connecticut's healthcare market. According to our analysis, all five of Connecticut's metropolitan markets would be among the 35 markets nationwide that would be negatively impacted by this merger. We allege in our complaint that, in four particular product areas – national account services; the large group market; plans sold to individuals through public exchanges; and purchase of services of doctors, hospitals and other providers – this merger would eliminate significant competition, leaving employers and individual consumers vulnerable to increased costs and providers subject to decreased rates, with few, if any, options to find better alternatives. Additionally, the merger would remove Cigna, which has been an innovative leader in the industry's move to value-based care, as a competitive force in Connecticut's market.

"Both Anthem and Cigna are active and important members of our community in Connecticut; they employ a large number of people in our state and contribute significantly to our economy. I appreciate these contributions and hope that they will continue to grow and prosper in Connecticut in the future. That being said, no remedy has been proposed by either party that would address the potential harm to competition in Connecticut's healthcare insurance market that this merger would cause, and I believe the law in this case is clear.

"Finally, while other states have also joined the Department of Justice in lawsuits seeking to block the proposed merger between Aetna and Humana, Connecticut has not. In many states, Aetna and Humana compete to provide Medicare Advantage plans to consumers. Humana does not sell Medicare Advantage plans in Connecticut and does not currently compete in Connecticut to sell traditional health insurance to the employer or consumer markets. As such, any direct anticompetitive effects of this merger are unlikely to have a significant impact in Connecticut, which is why my office has not initiated similar legal action to block this merger.

"I'm grateful to the Department of Justice and to our partner states for their cooperation and coordination throughout this investigation, and I'm extremely proud of my staff for their exemplary work on this case."

Assistant Attorneys General Rachel Davis, Christopher Haddad and Michael Cole, chief of the Antitrust and Government Program Fraud Department, are assisting the Attorney General in this matter.

[Please click here to view a copy this complaint.](#)

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